

STATE OF HAWAII — DEPARTMENT OF TAXATION

FORM
N-308
(REV. 1995)

FUEL TAX CREDIT FOR COMMERCIAL FISHERS — CORPORATE

TAX
YEAR
19_____

Or fiscal year beginning _____, 19____ and ending _____, 19____

ATTACH THIS SCHEDULE TO CORPORATE INCOME TAX RETURN (Form N-30)

Name:

Federal Employer I.D. No.

REQUIREMENTS FOR CLAIMING FUEL TAX CREDIT FOR COMMERCIAL FISHERS

Each corporate resident taxpayer working as a principal operator of a commercial fishing vessel who files a corporate net income tax return for a taxable year may claim a fuel license tax credit against the Hawaii state corporate net income tax. The amount of the tax credit is determined by the total fuel license taxes paid by the principal operator during the taxable year.

In the event the tax credit claimed and allowed exceed the amount of the income tax payments due, the excess of credit over payments due shall be refunded to the principal operator. If the principal operator has no income tax liability, the tax credit properly claimed and allowed shall be paid to the principal operator. However, no refunds or payments on account of this tax credit shall be made for amounts less than \$1.00

Claims for this tax credit, including any amended claims thereof, must be filed on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed.

Corporate members of a partnership or a fishing cooperative are also required to attach to this claim an Information Statement Form N-163A.

COMPUTATION OF FUEL TAX CREDIT FOR COMMERCIAL FISHERS

1. Diesel Oil and/or Liquid Petroleum Gas — Total number of Gallons Purchased..... _____
2. Fuel Tax Credit for Purchase of Diesel Oil and/or Liquid Petroleum Gas (multiply line 1 by \$.01)..... \$ _____
3. Gasoline — Total Number of Gallons Purchased..... _____
4. Fuel Tax Credit for Purchase of Gasoline
(multiply line 3 by using Schedule of Tax Rates on reverse side)..... \$ _____
5. Other Liquid Fuel(s) (specify _____)
Total Number of Gallons Purchased..... _____
6. Fuel Tax Credit for Purchase of Other Liquid Fuel
(multiply line 5 by using Schedule of Tax Rates on reverse side)..... \$ _____
7. Distributive Share of Tax Credit from attached Form N-163A..... \$ _____
8. TOTAL of lines 2, 4, 6, & 7 — Enter here and on Form N-30, line 32(e), or on Form N-70NP, line 16(d) \$ _____

Note: If you are claiming the tax credit only due to a distribution from a partnership or a fishing cooperative you may disregard lines 1 through 6 and begin on line 7.

**FORM
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Section 235-110.6. **Fuel tax credit for commercial fishers.** (a) Each principal operator of a commercial fishing vessel who files an individual or corporate net income tax return for a taxable year may claim an income tax credit under this section against the Hawaii state individual or corporate net income tax.

(b) The tax credit shall be an amount equal to the fuel taxes imposed under section 243-4(a) and paid by the principal operator during the taxable year.

(c) The tax credit claimed under this section by the principal operator shall be deductible from the principal operator's individual or corporate income tax liability, if any, for the tax year in which the credit is properly claimed; provided that a husband and wife filing separate returns for a taxable year for which a joint return could have been made by them shall claim only the tax credit to which they would have been entitled had a joint return been filed. If the tax credit claimed by the principal operator under this section exceeds the amount of the income tax payments due from the principal operator, the excess of credit over payments due shall be refunded to the principal operator; provided that the tax credit properly claimed by a principal operator who has no income tax liability shall be paid to the principal operator; and provided further no refunds or payments on account of the tax credit allowed by this section shall be made for amounts less than \$1.

(d) The director of taxation shall prepare such forms as may be necessary to claim a credit under this section, may require proof of the claim for the tax credit, and may adopt rules pursuant to chapter 91.

(e) All of the provisions relating to assessments and refunds under this chapter and under section 231-23(d)(1) shall apply to the tax credit under this section.

(f) Claims for the tax credit under this section, including any amended claims thereof, shall be filed on or before the end of the twelfth month following the taxable year to which the credit may be claimed.

(g) As used in this section:

(1) "Commercial fishing vessels" means any water vessel which is used to catch or process fish or transport fish loaded on the high seas.

(2) "Principal operator" means any individual or corporate resident taxpayer who derives at least fifty-one percent of the taxpayer's gross annual income from commercial fishing operations.

SCHEDULE OF TAX RATES

Regarding lines 4 and 6, use the fuel tax rate in effect for the county in which you reside.

	8/01/93 to <u>07/31/95</u>	8/01/95 and <u>thereafter</u>
City & County of Honolulu	32.5¢	32.5¢
County of Maui	27.0¢*	29.0¢**
County of Hawaii	24.8¢	24.8¢
County of Kauai	26.0¢	26.0¢

* Ordinance No. 2248 increases the Maui County fuel tax two cents (2¢) per gallon as of August 1, 1993.

** Ordinance No. 2421 increases the Maui County fuel tax two cents (2¢) per gallon as of August 1, 1995.